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THE COÖPERATIVE LAMB CLUB AS AN AGENCY FOR LOWER MARKETING COSTS

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The Marketing of Lambs is on an Unsatisfactory Basis

Raisers of spring lambs throughout the middle West or Mississippi Valley frequently complain of unsatisfactory market conditions. There are several contributing factors to this existing condition. One is the not unusual and constant fluctuations of market prices. Another is the very uneven condition of the lambs, and a third is the fact that most of the lambs raised in the region mentioned are raised by farmers who own small flocks. The constant market fluctuations make country buyers afraid to make bids to the farmers, except on large margins; the un-uniform condition of the lambs makes the buyer almost certain that he will have to suffer a heavy cut when he reaches the market; the small flock contributes to the necessity of the farmer's selling locally on account of not having a carload to ship himself, consequently, the local buyer takes advantage of this fact. A general tendency found in rural communities for a one price basis to be set on all products of the farmers also tends to make it not worth the producer's while to market a good product. That is, a premium is put on the poor grade by the buyer who establishes a uniform price throughout his territory for all lambs purchased, good and bad alike.

These conditions have been very largely responsible for the restricting of the production of more sheep on middle West farms. In an effort to overcome the wholly preventable conditions there, a number of plans have been tried. Naturally, our attention is first turned toward some coöperative means of marketing, and along this line relief has been found.

A Special Investigation of One Set of Conditions

In order to get accurate information as to the real problem of sheep raisers, a special investigation was conducted by Mr. R. S. Besse, of the University of Missouri, and the writer, the idea being

to determine the supply of marketable lambs in a given community, the conditions under which they had been previously marketed, and to see if possible if there might not be an opportunity for bettering conditions. A representative territory was chosen, and a personal visit made to the farms of sheep growers.

On the first farm visited, we found a man with a bunch of western ewes and a very excellent lot of early spring lambs. The lambs had been docked and a creep had been built, so that it was possible for the lambs to get a little extra feed, a pure bred ram had been used in siring this young flock, and the general appearance of the lambs that were ready for the market was very satisfactory. We found that this farmer had followed rather closely the instructions given by college authorities on the proper methods for producing and raising market lambs. He informed us that the local buyer had offered 5½ cents a pound for his lambs just the day before.

We next visited farmer No. 2. We found that he had a superior grade of western ewes. He had, however, used a common grade ram, and while he had fed some extra feed through a lamb creep, still he had not docked his lambs, and they did not make nearly so good an appearance as the first flock. The second flock of lambs was older than the first. Our estimation of value would have placed these lambs fully 1½ cents below the first flock. We found that the local buyer had offered the same price for both bunches of lambs.

On a continuation of the journey, we found conditions very similar to those described. In no case had the local buyer offered a premium for the difference in quality of the lambs, and it is really hard to describe the real difference that was found between the best and the poorest lambs on the different farms. The price offered by this local buyer was \$2 per hundredweight below the top of the St. Louis market. Conservative figuring resulted in the estimation of 75 cents per hundredweight, as the necessary charge to make for freight, commissions, etc., incident to selling the lambs. This left the local buyer with a margin of \$1.25 per hundred on the lambs he intended to purchase.

The farmers visited on this investigation trip were induced to select the best lambs from their flocks, culling them carefully as to quality, weight, and uniformity, and deliver them to the nearest shipping point on a given day and make a shipment coöperatively. Each farmer's lambs were carefully marked and weighed at the ship-

ping point, and he was given a ticket of credit for the home weight of his lambs. The cost of shipping was to be based proportionately per pound of shipment contributed by each farmer.

An interesting side-light came at this juncture when the buyer who had gone through the country making bids previously mentioned heard of our intention, called upon farmer No. 2 who was mentioned as having a rather inferior grade of lambs, and offered him 50 cents per hundredweight more for his lambs than he had offered to the others; his probable intention being to break up the coöperative arrangement, thus making it impossible for the other farmers to get together one load of lambs. However the car of lambs was shipped to the St. Louis market and graded on their merits. The most of the lot sold for \$7.50 per hundredweight, but some few were culled out and only brought \$4.50 per hundredweight. The lambs that were culled were all taken from those contributed by farmer No. 2.

It will be seen from this that the major portion of the lot of lambs brought \$2 per hundredweight more than was offered by the local buyer. Our figuring of 75 cents per hundredweight shipping charges proved ample, and it left the farmer a little over \$1.25 per hundredweight as a margin for his coöperative venture. This result was so eminently satisfactory to the farmers concerned that some permanent farm organization seemed advisable.

A Successful Lamb Club for Over Twenty Years

Upon investigation it was found that in Goodlettsville, Tennessee, there was a lamb club that had been in existence for a large number of years. The plan upon which this club was organized was, in brief, similar to the one used by the farmers mentioned. The officers of the club consisted of a president, secretary-treasurer, and three men selected as an executive committee. It was the duty of the secretary-treasurer to advertise for sealed bids for the lambs that the club was to market each year. He advertised that a certain number of definitely described grade and quality of lambs would be ready for shipment on such and such a day at such and such a shipping point. These bids were sent to him sealed, from all over the United States. The guarantee of the club that the lambs should come up to description, their general uniformity, and the large num-

ber shipped, made it possible and practical for buyers to come from all over the country. The executive committee was on duty at the shipping point on shipping day, and carefully graded each load of lambs that the farmers brought in. All inferior lambs, or lambs that were deficient in any way, were culled back and returned to the farmer who brought them with instructions to hold such a lamb over until the next shipment was ready. The successive shipments of this club made it possible for the farmer to cull out his best lambs each time, thereby always receiving the top of the market. The lambs that generally go toward the last of the season can, by proper management be made as good as those that go at the first. This was one of the successes of this club, for under ordinary conditions the buyer takes the full lamb crop at one time, paying a certain good price for a few of the best ones, and making heavy reductions for the smaller ones, the latter being every bit as good as the former, except that they are younger and generally lack size and finish. Successive shipments of the lamb club make it possible for the growers of good quality lambs to sell all that they raise for top prices.

Investigations around Goodlettsville show that farmers who own flocks of half a dozen ewes have an equal advantage with these who own ten or twenty times as many. Shipping and other charges are always made proportionate, and the existence of this lamb club has put the selling of the lambs on a firm, well established and long-standing basis. The prices received are from \$1.50 to \$2.50 per hundred-weight above what farmers not in the club receive for their lambs that are in reality as good as the Goodlettsville lambs.

The Organization of a Lamb Club

The successful experience of the Goodlettsville farmers has led to the organization of farmers in other communities. The machinery for handling the coöperative plans is extremely simple. A president, secretary-treasurer, and three temporarily elected executive officers, whose duty it is to pass on the quality of the lambs at shipping day, are all that are necessary. Each member of the club is asked to sign the following application for membership and pay the dues mentioned:

APPLICATION FOR MEMBERSHIP TO THE COUNTY LAMB CLUB

In consideration of receiving membership to the.....County Lamb Club, I faithfully agree to the following:

1. I will pay to the club for membership fee and annual dues, \$1 per year.
2. I will sell all my market lambs and all my wool that the club will accept, through this Association as long as I am a member thereof.
3. I will agree to dock all lambs and agree to castrate the males that are sold by the club.

Signed this, theday of191 .

As a working basis, the following rather abbreviated form of club policy was adopted. Its chief features are brevity and efficiency:

..... COUNTY LAMB CLUB

OFFICERS, THEIR DUTIES, AND THE GENERAL POLICIES OF THE ASSOCIATION

Organized at.....Co.,.....,191

OFFICERS

The officers of this club shall be a president and a secretary-treasurer.

There shall be an executive committee composed of three men, the chairman to be the secretary of the association, the other members being members of the association chosen by a majority vote of the members.

DUTIES

The duties of the president shall be to call the meetings of the association and preside, and perform such other duties as naturally fall to the official head of such a club.

The duties of the secretary shall be to carry on the correspondence of the club, handle the accounts, advertise for bids, and generally conduct the business of the Association.

It shall be the duty of the executive committee to grade and pass upon all lambs and wool sold by the club.

The executive committee shall receive as compensation for their services, as follows:

The chairman shall receive \$..... per day for not to exceed days. The other two committeemen shall receive per day for not to exceed days.

POLICIES

It shall be the policy of the club to advertise for sealed bids for all products sold. They retain the privilege to accept or reject any bid. All products sold by the club are sold under its guarantee and to be as represented.

No lambs should be sold at a less weight than pounds per head at the shipping scales at

All wool sold should be graded in three classes:

a. Absolutely clean and free from burrs and dirt.

b. Some dirt and a few burrs.

c. Burrs.

In the handling of all flocks of sheep, the following points are strongly recommended by the club:

1. A uniform grade or kind of ewes should be kept.

2. A pure bred Down ram should be used.

3. Breeding should not be done for more than three months, preferably two.

4. If possible, ewes should be bred to drop lambs during January and February—never later than the last of March.

5. Green pastures should be provided, if possible, in the form of rye, wheat, clover, etc.

6. A lamb creep, which allows the lambs to obtain some extra grain while suckling the ewes, should always be provided.

7. Docking should be practiced.

This club should work in active coöperation with a central association. When these clubs are organized throughout the state, no small amount of help can come from the general central association in helping each to keep in touch with market conditions, supply and demand, and all phases of the business other than the local situation.

The Lamb Club Shortens the Road to Market

From the foregoing, it can be seen that the coöperative lamb club does much toward increasing the profits of the farmer in the raising and marketing of his lambs. This increase of profits naturally leads to a greater expansion of the business, which in turn should finally have its effect on decreasing the cost of product to the consumer. Of course, there are a number of steps between the purchase of the lambs by the packers at the market and the consumption of the mutton by the consumer. Our experience has not covered that phase of the situation, but it is certainly a fertile field. It is a more or less popular belief that the farmer is becoming immensely wealthy these days because of the seemingly high prices he receives for his products. When it is generally known that 50 per cent of the farmers are not receiving as much for their labor as their hired hands, this misconception will pass away, and farming will necessarily be forced to a better basis. The cost of production is a feature the farmer generally considers but little. The cost of marketing and better ways of marketing are even more foreign to him. Plans for coöperative marketing have been worked out, but not infrequently fail for various reasons. The distinctly individualist tendencies of the farmer

and his feeling of independence are not unimportant features of his inability to successfully coöperate. The lamb club undoubtedly forms a beginning step. Its extension to other classes of stock and other classes of products may or may not be applicable. It depends largely on the local conditions, market conditions, and the quantity and kind of stock, or product that is being, or can be, raised in the community. It is reported that groups of farmers in the Northwest handle their cattle on the same basis as the lamb club.

Successful coöperation from the standpoint of results must be based essentially, it would seem, not on sentiment, or loyalty to an oath or an organization. It must be based on business principles and economic conditions. The farmer must be visibly benefited, fairly treated, and must in turn be able to do the same for those who receive his products. These are but simple business principles, and when worked on their merits should, as our experience in the past has taught, bring satisfactory results.